



# City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814  
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**Meeting Date:** 5/31/2011

**Report Type:** Consent

**Title:** Citywide Landscaping & Lighting Assessment District - Initiate Annual Proceedings  
Fiscal Year 2011/12

**Report ID:** 2011-00215

**Location:** Citywide

**Recommendation:** Adopt 1) a Resolution directing filing of Annual Report for Fiscal Year (FY) 2011/12 for the Citywide Landscaping and Lighting Assessment District; and 2) a Resolution approving Engineer's Annual Report and Intention to Order Maintenance of Improvements for FY2011/12 for the Citywide Landscaping and Lighting Assessment District and setting a time and place for a Public Hearing for June 21, 2011.

**Contact:** Brian Wong, Program Specialist, (916) 808-5788, Finance Department; Mark Griffin, Program Manager, (916) 808-8788, Finance Department

**Presenter:** None

**Department:** Finance

**Division:** Public Improvement Finance

**Dept ID:** 06001321

**Attachments:**

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- 1-Description/Analysis
- 2-Background
- 3-Schedule of Proceedings
- 4-Proposed FY2011-12 Citywide L&L District Budget Table
- 5-Resolution, Directing Filing of Annual Report
- 6-Resolution, Approving Engineer's Annual Report and Intention to Order Maintenance of Improvements

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**City Attorney Review**

Approved as to Form  
Jeffrey C. Heeren  
5/17/2011 4:11:12 PM

**City Treasurer Review**

Prior Council Financial Policy Approval or  
Outside City Treasurer Scope  
Russell Fehr  
5/12/2011 5:02:26 PM

**Approvals/Acknowledgements**

Department Director or Designee: Leyne Milstein - 5/16/2011 11:51:22 AM

Assistant City Manager: Patti Bisharat - 5/17/2011 1:29:04 PM



## Description/Analysis

**Issue:** The Citywide Landscaping and Lighting Assessment District (District) is required by the California Streets and Highways Code to present an annual report to City Council for approval. Approval of the annual report will authorize the collection of assessments to fund the maintenance of the improvements in the District for FY2011/12. Corresponding revenue and expenditure budgets are included in the FY2011/12 Proposed Budget.

**Policy Considerations:** The annual proceedings for the District are being conducted as set forth in the Landscaping and Lighting Act of 1972 (1972 Act), California Streets and Highways Code Section 22500, et seq. The District provides funding for a multitude of services throughout the City including: safety lighting & median maintenance, neighborhood street light maintenance, street tree maintenance, neighborhood park maintenance and capital improvements, and graffiti abatement.

### Environmental Considerations:

**California Environmental Quality:** Under CEQA guidelines, annual proceedings of a Special District do not constitute a project, and are therefore exempt from review.

**Sustainability:** There are no sustainability considerations applicable to the formation process or administration of a special district

**Commission/Committee Action:** None

**Rationale for Recommendation:** The recommended actions in the Resolutions are required by the California Streets and Highways Code, as set forth in Section 22500 of the 1972 Act, for annual proceedings of an existing district.

**Financial Considerations:** Each year the District assessment and budget is developed taking into consideration several factors including the cost of services, the projected number of parcels in each assessment category, and the amount of projected surplus/deficit in the District fund balance at the end of the current fiscal year. The proposed budget and changes over the current year are shown on Attachment 4, page 5. The proposed increase in the FY2011/12 assessment by land use category is 2.82%, a percentage determined by the change in the April 2011 CPI index associated with the San Francisco area, all items, but not to exceed 3% in any year.

The proposed FY2011/12 District budget will total \$14,360,433, an increase of \$544,954 over the current FY2010/11 District budget.

**Emerging Small Business Development (ESBD):** City Council approval of these proceedings is not affected by City policy related to the ESBD Program.

## BACKGROUND

The Citywide Landscaping & Lighting District (District) was established in June of 1989. The District contributes funding for the maintenance and rehabilitation of City parks and other public landscaped areas, street tree maintenance, and the energy and maintenance cost of streetlights throughout the City. Property owners are assessed in accordance with a series of benefit formulas adopted by City Council in 1989. Annual assessments are paid by property owners along with their regular county property taxes. Each year the City must update and adopt the annual Engineer's Report and obtain approval of the assessment associated with the land use designation.

The budget is arranged in three categories as described below. In addition to the maintenance activity, each category also contains a proportionate share of the administration and billing costs.

- 1) Street Related Operations and Maintenance: This section contains the budget for safety lighting, neighborhood lighting, median maintenance, and street tree maintenance.
- 2) Bonded Indebtedness: A portion of the annual District budget goes toward the payment of debt service on 20-year bonds sold in 1996 to finance park improvements. These bonds will expire after tax year 2016.
- 3) Ongoing Park Maintenance, Park Improvements, and Graffiti Abatement: This section contains the park maintenance budget, the graffiti abatement program, and funding for park capital improvement projects. The voters approved this portion in November 1996.

The District contains a provision for an annual adjustment in budget and assessments to account for inflation. The district allows for an annual increase based on the Consumer Price Index (CPI), San Francisco area, all items, but not to exceed 3% in any year. The change in the April 2011 CPI index is 2.82% over the prior 12 months, therefore, the increase in the FY2011/12 assessment will be 2.82%.



## SCHEDULE OF PROCEEDINGS

### CITYWIDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT FY2011/12 SCHEDULE

<b>May 31, 2011</b>	<b>Council Considers Resolution of Intention and Sets Date for Public Hearing</b>
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June 9, 2011      Publish Notice of Meeting and Hearing

June 21, 2011    Hold Public Hearing  
Council Orders Annual Levy

August 2011      Assessments to County for Placement on Tax Roll

**PROPOSED FY2011/12 BUDGET FOR  
CITYWIDE LANDSCAPING AND LIGHTING DISTRICT  
(With 2.82% CPI adjustment increase in assessments)**

<b><u>Street Related Operations &amp; Maintenance:</u></b>	<b>Approved FY2010/11</b>	<b>Proposed FY2011/12</b>
Safety Lighting & Medians	\$1,787,909	\$1,868,394
Neighborhood Street Lighting Maintenance	3,505,902	3,641,695
Tree Maintenance – Residential	3,299,092	3,425,060
Tree Maintenance – Non-Residential	1,124,643	1,190,901
Administration & Billing	<u>187,460</u>	<u>174,348</u>
<b>Subtotal Street Related O&amp;M</b>	<b>\$9,905,006</b>	<b>\$10,300,398</b>
<b><u>On-Going Park Maintenance:</u></b>		
Park Maintenance & Improvements	\$2,929,649	\$3,065,457
Graffiti Abatement	156,807	167,868
Administration & Billing	<u>59,540</u>	<u>55,401</u>
<b>Subtotal On-Going Park Maintenance:</b>	<b>\$3,145,996</b>	<b>\$3,288,726</b>
<b><u>Bonded Indebtedness:</u></b>		
Park CIP Improvements	\$757,698	\$764,299
Administration & Billing	<u>6,779</u>	<u>7,010</u>
<b>Subtotal Bonded Indebtedness</b>	<b>\$764,477</b>	<b>\$771,309</b>
Less Debt Service	(\$585,175)	(\$586,938)
Excess Available For Parks CIP	\$172,523	\$177,361
<b>TOTAL DISTRICT BUDGET</b>	<b>\$13,815,479</b>	<b>\$14,360,433</b>
Fund Balance Offset	(\$349,999)	(\$193,079)
<b>TOTAL ASSESSED TO PROPERTY OWNERS:</b>	<b>\$13,465,480</b>	<b>\$14,167,354</b>



# RESOLUTION NO.

Adopted by the Sacramento City Council

## DIRECTING FILING OF ANNUAL REPORT FOR THE CITYWIDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 2 FOR FISCAL YEAR 2011/12 (Pursuant to Landscaping and Lighting Act of 1972)

### BACKGROUND:

- A. The Citywide Landscaping and Lighting Assessment District No. 2 (District), was established by the City Council on August 1, 1989. The City Council adopted Resolution No. 89-600 thereby approving Assessment District No. 2 for all developed properties within the City of Sacramento.
- B. The City Council established the District under the Landscaping and Lighting Act of 1972 (part 2 of division 15 in the Streets and Highways Code, beginning with Section 22500) (the 1972 Act), and has previously levied assessments on property in the District to pay for landscaping and lighting maintenance services and related services to be provided within the District, all in accordance with the 1972 Act.
- C. The Council is fully advised in this matter.

### BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1.** The City Council finds and determines that the background statements A through C are true and correct.
- Section 2.** The Supervising Engineer of the Department of Transportation, the person designated by this Council as the Engineer of Work for the District, is hereby directed to file an annual report in accordance with the provisions of the 1972 Act.
- Section 3.** This resolution is adopted pursuant to Section 22622 of the Streets and Highways Code.



# RESOLUTION NO.

Adopted by the Sacramento City Council

## **APPROVING ENGINEER'S ANNUAL REPORT AND INTENTION TO ORDER MAINTENANCE OF IMPROVEMENTS FOR THE CITYWIDE LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT NO. 2 FOR FISCAL YEAR (FY) 2011/12 (Pursuant to Landscaping and Lighting Act of 1972)**

### **BACKGROUND:**

- A.** The Citywide Landscaping and Lighting Assessment District (District) was established by the City Council on August 1, 1989 by adopting Resolution No. 87-1012.
- B.** The City Council established the District under the Landscaping and Lighting Act of 1972 (Part 2 of Division 15 in the Streets and Highways Code, beginning with Section 22500) (the 1972 Act), and has previously levied assessments on property in the District to pay for landscaping and lighting maintenance services and related services to be provided within the District; all in accordance with the 1972 Act.
- C.** The Supervising Engineer of the Department of Transportation, the person designated by this Council as the Engineer of Work for the District, was directed to file an annual report in accordance with the provisions of the 1972 Act.
- D.** The Council is fully advised in this matter.

### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1.** The City Council finds and determines that the background statements A through D are true and correct.
- Section 2.** City Council hereby approves the Engineer's Annual Report for FY2011/12 on file with the Public Improvement Financing unit (PIF unit) of the Department of Finance, designated by the City Clerk to be the repository of documents associated with special districts.
- Section 3.** The City Council intends to levy and collect assessments within the District during FY2011/12. The area of land to be assessed is located in the City of Sacramento, Sacramento County.
- Section 4.** The maintenance or construction of improvements to be made in this assessment district is generally described as follows:
  - a) The maintenance of improvements is generally described as follows:
    - 1) landscaping; 2) statuary fountains, and other ornamental structures and facilities; 3) all works or improvements used or

useful for the lighting of public places, including ornamental standards, luminaries, poles, traffic signals, supports, tunnels, manholes, vaults, conduits, pipes, wires, conductors, guys, stubs, platforms, braces, transformers, insulators, contacts, switches, capacitors, meters, communication circuits, appliances, attachments, and appurtenances; (4) any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof including grading, clearing, removal of debris, curbs, gutters, walls, sidewalks, paving, water irrigation, drainage, or electrical facilities; (5) park and recreational improvements including, but not limited to, land preparation such as grading, leveling, cutting and filling, sod landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, play courts, and public restrooms; (6) the acquisition of land for park, recreational, or open-space purposes; and (7) any and all expenses incidental to the above.

b) The installation or construction of improvements including:

(1) landscaping; (2) statuary fountains, and other ornamental structures and facilities; (3) all works or improvements used or useful for the lighting of public places, including ornamental standards, luminaries, poles, traffic signals, supports, tunnels, manholes, vaults, conduits, pipes, wires, conductors, guys, stubs, platforms, braces, transformers, insulators, contacts, switches, capacitors, meters, communication circuits, appliances, attachments, and appurtenances; (4) any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof including grading, clearing, removal of debris, curbs, gutters, walls, sidewalks, paving, water irrigation, drainage, or electrical facilities; (5) park and recreational improvements including, but not limited to, land preparation such as grading, leveling, cutting and filling, sod landscaping, irrigation systems, sidewalks and drainage, lights, playground equipment, play courts, and public restrooms; (6) the acquisition of land for park, recreational, or open-space purposes; and (7) any and all expenses incidental to the above.

**Section 5.** In accordance with this Council's resolution directing the filing of an annual report, the Engineer of Work has filed with the PIF unit the report required by the 1972 Act. All interested parties are referred to that report for a full and detailed description of the improvements, the boundaries of the assessment district, and the proposed assessments upon assessable lots and parcels of land within the assessment district.

**Section 6.** At the hour of 6:00 pm on Tuesday, June 21, 2011, the City Council will conduct a public hearing on the questions of the levy of the proposed annual assessment. The hearing will be held at the meeting place of the City Council located in the City Hall, 915 I Street, First Floor, Sacramento,

California.

**Section 7.** This year's assessments are an increase from the previous year and are equal to the highest authorized amount for this District shown on Exhibit A.

**Section 8.** The City Clerk is authorized and directed to give the notice of hearing required by the 1972 Act.

**Section 8.** Exhibit A is part of the resolution.

**Table of Contents:**

**Exhibit A:** Proposed Annual Parcel Assessments FY2011/12

## EXHIBIT A

PROPOSED ANNUAL ASSESSMENTS FOR FY2011/12						
Assessment Components	Single Family Residence	Multi-Family Residence	Business Property (Parcel Square Ft.)			Church
			0-25,000	25,001-100,000	100,001 or more	
<b><u>Street Related O&amp;M:</u></b>						
Safety & Neighborhood Lighting Maintenance & Replacement Program, Median Maintenance & Construction, Tree Maintenance			\$114.81	\$574.03	\$1,193.98	\$32.80
With Lights:	\$53.67	\$37.57				
Without Lights:	\$25.84	\$18.09				
<b><u>Bonded Indebtedness:</u></b>						
CIP-Park Improvements	\$4.07	\$2.77	\$6.04	\$30.18	\$62.77	\$1.72
<b><u>Park Facilities &amp; Related O&amp;M:</u></b>						
Park Main., Youth Employment Program, Graffiti Abatement	\$16.64	\$11.33	\$28.46	\$142.30	\$295.98	\$8.13
<b>Proposed Assessment:</b>						
<b>With Lights:</b>	<b>\$74.38</b>	<b>\$51.67</b>				
<b>Without Lights:</b>	<b>\$46.55</b>	<b>\$32.19</b>				
<i>Current Year Assessment (FY10/11):</i>						
<i>With Lights:</i>	<i>\$72.46</i>	<i>\$50.33</i>	<i>\$146.94</i>	<i>\$734.63</i>	<i>\$1,528.00</i>	<i>\$41.98</i>
<i>Without Lights:</i>	<i>\$45.39</i>	<i>\$31.38</i>				
<i>Change in assessment with 2.82% CPI increase adjustment:</i>						
<i>With Lights:</i>	<i>\$1.92</i>	<i>\$1.34</i>	<i>\$2.37</i>	<i>\$11.88</i>	<i>\$24.73</i>	<i>\$0.67</i>
<i>Without Lights:</i>	<i>\$1.16</i>	<i>\$0.81</i>				